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C O R R E C T E D C O P Y (GARBLED TEXT)

AMEMBASSY MINSK SENDS

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SUBJECT: BELARUS WEEKLY POL/ECON REPORT - June 13, 2008

[¶1.](#) The following are brief items of interest compiled by Embassy Minsk.

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##### Civil Society

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#### [¶2.](#) Union of Poles' Leader Fined

On June 9, a Grodno district court fined the leader of the Union of Poles, Anzhelica Borys, 1.4 mln rubles (USD 660). Borys was charged with organizing an unsanctioned concert of the Polish band Lombard in Grodno. Borys expressed "surprise" at this charge and linked her fine with the GOB's repressive steps against civil society activists.

#### [¶3.](#) Opposition Concerned by Low Nuclear Energy Awareness

Belarusian Popular Front (BPF) Deputy Chairman Ales Mikhalevich received on June 10 a response from the Ministry of Energy to an inquiry by the BPF sent February 12. The BPF expressed concern over the lack of public access to objective information about construction plans for a nuclear power plant. The Ministry maintained that "the public is properly informed" and "all viewpoints and suggestions will be considered" before construction commences.

#### 14. Nesvizh Malady Front Leader Fined

Nesvizh authorities fined local Malady Front (MF) leader Nasta Azarka 1,750,000 rubles (USD 820) on June 11 for allegedly violating city maintenance regulations. Police officers detained Azarka on several occasions and confiscated opposition stickers from her.

#### 15. Five Malady Front Activists Fined In Polotsk for Picketing City Government Office

According to the MF's press service, five MF activists picketed on June 11 in front of the city government office in Polotsk. They were detained shortly after they unfurled a banner reading "Stop Dictatorship." The activists spent a night in detention and were each fined the equivalent of USD 480 under the Administrative Code on unsanctioned picketing.

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Domestic Economy  
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#### 16. Gas and Diesel Prices Up 5 And 14.8 Percent, Respectively

An Economy Ministry official told Prime-Tass news service on June 9 that the Petrochemical Conglomerate Belneftekhim raised gas and diesel fuel prices by 5 and 14.8 percent, respectively, effective June 10. One liter of regular gas will cost USD 1.05 and a liter of diesel fuel will cost USD 0.90. In 2007, retail gas prices rose 19.4 percent.

#### 17. GDP Through May Up 10.4 Percent On The Year

The Statistics Ministry reported June 11 that the country's GDP from January through May 2008 was 10.4 percent higher than during the same period of 2007. The rise in industrial and agricultural production was 13.3 percent and 6.3 percent, respectively.

According to Prime-Tass, the Dutch brewery Heineken N.V. purchased a 51 percent stock in Rechitsapivo on June 9, raising its share in Belarus' brewing industry to 24 percent. The state share in the Gomel region-based brewery was reduced from 14.7 to 7.2 percent. In December 2007, Heineken N.V. bought another Belarusian brewery in the city of Bobruisk, which had been established through a partnership between American Detroit Investment Ltd. and International Financial Corporation. Heineken N.V. will reportedly maintain all Belarusian brands and start production of Heineken beer at the brewery later this year.

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International Trade  
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#### 19. Impediments to Russia-Belarus Trade Development

According to Prime-Tass, Russian Ambassador Alexander Surikov stated June 9 that approximately 40 points of difference impede successful implementation of the Russia-Belarus trade development agreement signed on March 23, 2007. According to him, the GOB has thus far applied at least 22 restrictive measures, such as providing subsidies to many local producers; limiting access of foreign agricultural machinery to Belarusian markets; and preserving the GOB monopoly on imports of tobacco and alcohol products. In May, the GOB agreed to allow equal treatment of foreign-made goods possessing "conformity assessment" certificates. Surikov hinted that the GOB should be more cooperative or else growing energy costs may keep Belarusian products out of Russian markets.

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Quote of the Week  
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110. While presenting national awards to KGB officers on June 12, President Lukashenko said:  
"I've heard rumors that the President is allegedly not pleased with KGB operations. These are just rumors. I have always respected this organization and believed that it employs the purest and the most honest people."

Savage  
Cloud